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SENSITIVE BUT UNCLASSIFIED Summary

11. (SBU) Ambassador Jeter visited Bauchi State from February 10-12, accompanied by USAID A/DIR Suggs and Pol/OFF Kinder. In addition to private meetings with Governor Mu'azu, the Ambassador and his team visited several development projects including the Yankari Game Reserve, paid a courtesy call on the Emir, attended a state banquet and addressed the Bauchi State Executive Council. The Ambassador also visited four local industries. The trip was a success on two major fronts: First, it dispelled perceptions of USG indifference toward Northern Nigeria; secondly it enabled us to see first-hand the accomplishments of a state that works. End Summary

Introduction

2.(SBU) Ending a ten year hiatus since the last Ambassadorial visit, Ambassador Jeter and Embassy staff visited Bauchi February 10th. While in Bauchi, the Ambassador received a bird's eye view of the many developmental projects being undertaken by the State.

A State on the Move

- 3.(U) The Bauchi State Government has implemented a number of development projects aimed at reviving the state's agrarian economy and improving the welfare of the State's poor. Major projects in the areas of rural road construction, village electrification, primary and secondary health care, and education are among the State's major accomplishments. Progress on rural road and electrification projects was evident as the team traveled far from Bauchi's capital. While rural electrificaion is often rare in Nigeria and in West Africa in general, over 100 of Bauchi's 200 villages have electricity. The roads the team traveled were also in extraordinarily good shape.
- 4.(U) The Mission group also visited the State Hospital. The hospital was attractive and well equipped. Some Nigerian hospitals are well equipped, but lack adequately trained staff to operate the equipment. Governor Mu'azu has avoided this trap by using the lure of State pride and his personal charisma to attract qualified medical personnel to Bauchi, including professional indigenes of the State who have returned from overseas.
- 5.(U) The team also visited one of the Bauchi's three new model schools. The schools were established to address an abysmal record of academic achievement in the State's primary and secondary schools. According to Governor Mu'azu, only eight of the 8,000 students passed who sat for the Senior Secondary School Certificate Examination in 1999. Soon thereafter, the Governor began a program to revamp the entire state school system. The model schools represent one step in this process. The model schools enroll the state's "best and brightest", in order to train and prepare the most gifted students for future leadership positions within Bauchi and throughout Nigeria. The team visited the girls' magnet school where they were greeted by a lively school body. What the school lacked in facilities, the students made up with enthusiasm. The Ambassador used this occasion to inform the government of The Ambassador's Special Self- Help Program, and suggested the school apply to the program to procure reference books for its library.

Come To Bauchi

6.(U) Bauchi projects itself as "the Pearl of Tourism". While the sobriquet may be a bit hyperbolic, there is a grain of truth to it. Showcasing Bauchi's tourist industry, senior State government officials expertly served as tour guides to Yankari Game Park. The game park has been under federal management since 1976. According to Mu'azu, the number of visitors has declined during this period and the central

government has done precious little to halt this slide or to maintain the facility. Governor Mu'azu believes that the state can do better and is attempting to regain control. He claims to have potential investors prepared to finance improvements, once the park is handed to the State government. Mu'azu is optimistic that a radical facelift can be achieved in two years. The State has already begun modernizing guest accommodations, which when completed will offer a much more attractive and comfortable option for tourists. The park has much potential, with over 50 species of wild animals and a plethora of wild birds. While it will never rival the parks of Southern and Eastern Africa, Yankari's potential to attract domestic and regional tourists is large.

Putting the People to Work

- 7.(U) Visiting four local business ventures, the Embassy group was able to see the challenges to Bauchi's development but also the state's potential, particularly in agro-industry.
- grant to conduct a feasibility study on the steps needed to modernize the facility and bring it to full production. The cattle industry is an important sector of Bauchi's economy, yet the plant is barely functioning, processing less than a score of cattle each day. A/DIR Suggs raised the possibility of using USAID's Farmer-to-Farmer program to bring consultants to advise on management of the plant. The current facilities are sound but much of the equipment, while serviceable, is outdated. Once the study is complete and the plant is retooled, the marriage of cattle-rearing and industry should be a good one. Revival of the meat processing plant will open significant export opportunities for Bauchi, including halal meat exports to traditional markets in North Africa and perhaps the Middle East.
- 9.(U) The Bauchi Fertilizer Blending Company is another industry not yet meeting its full potential. Prior to Governor Mu'azu taking office, fertilizer was distributed based on personal loyalties rather than utility or maximization of output. As a result, the company fell dormant. Noting that much of Bauchi's future lay in agriculture, the Governor arranged a N2.5 million soft loan for the company, which returned to operation during his first year in office. Morover, the governor has recently renewed subsidies to state farmers and established other controls to ensure equitable distribution.
- 10.(U) The Ambassador also visited the Ramadan printing company. The company was fully operable, with every available space filled with functioning equipment and busy employees. The quality of the work was high. Although it was February, the company was busy preparing 2002 calendars. There is no way of knowing if the printer was behind or if the orders came in late. The printers, however, showed that they can move quickly by producing a booklet of the Embassy's visit prior to departure on February 12.
- 11.(U) The last industry visited was Alind Nigeria,Ltd., makers of cable and conductors. This company received a loan of N3.5 million from the Bauchi State Government. The company's physical plant was fairly modern; however, it seemed poorly staffed and appeared to be at partial production.

Governor Mu'azu--Trying Hard

12.(SBU) Governor Mu'azu is the main force behind this activity. A self-made, wealthy businessman, Mu'azu has a nationwide reputation as a hard worker. This was evident when he returned to work for several hours after the State banquet he hosted for Ambassador Jeter, which lasted until 11pm. The Governor also has a reputation for fairness--only awarding contracts to companies with proven records, rather than using contracts to curry political favors. Mu'azu has also surrounded himself with a progressive, well-educated and dedicated State Council. The only woman on the Council, an activist Muslim, spoke out forcefully on the need for more female representation on the Executive Council and gently chided Governor Mu'azu for not doing more to make this happen. State workers are paid on time and Mu'azu has also repaid much of the salary arrears due civil servants from previous administrations. A member of the PDP, Mu'azu campaigned hard for President Obasanjo during the last election and helped him carry the Northeast. He believes that President Obasanjo can win the 2003 election, but must recover from the mistakes he has made handling recent crises, particularly the explosions in Lagos. Young, intelligent and

personable Mu'azu is frequently mentioned as a potential presidential candidate for 2007 and beyond.

Comment

13.(U) With corruption, violence, and a basic lack of infrastructure prevalent in too many areas throughout Nigeria, the trip to Bauchi state was a welcome change. We were able to see many examples of how State and Local government in Nigeria can be a catalyst to make things work if the requisite political will is present. No doubt there remains much to do in Bauchi; however, important first steps have been taken on what will be a long path to real development. Mu'azu is proud of these achievements.

14.(SBU) The Ambassador was able to encourage the Governor and his Council to continue their hard work, and offered to assist where possible. In the final analysis this trip helped to eliminate the perception that the USG is disinterested in Bauchi, and more generally the North. Moreover, the trip was helpful in reinforcing our growing perception that development is more likely to occur when initiated at the local and state levels in Nigeria, particularly when there is good governance, honest leadership and public-private partnership.